

**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH**

**F A C T   S H E E T**

**APPROVAL OF REQUEST FOR APPROPRIATION ADJUSTMENT FOR  
SENATE BILL 90 PAYMENTS TO OUT-OF-STATE PROVIDERS  
FOR FISCAL YEAR 2002-2003  
(ALL SUPERVISORIAL DISTRICTS)**

**REQUEST:**

Request Board Approval of an Appropriation Adjustment in the amount of \$3,494,000 for Fiscal Year (FY) 2002-2003. The appropriation increase will provide spending authority to reimburse Out-of-State Child Placement service providers for contracted services to seriously emotionally disturbed (SED) children/adolescents who reside throughout the County of Los Angeles and are placed in out-of-state education and mental health treatment facilities.

**CONTRACTORS:**

Department of Mental Health (DMH) has contracted with three (3) providers through direct Purchase Orders and nineteen (19) providers through Mental Health Service Agreements (see attachment). These contractors have provided mental health services (on a twenty-four hour, seven days per week basis) to Los Angeles County SED children/adolescents who are placed in out-of-state education and mental health treatment facilities. In accordance with the terms of the Agreements, DMH is to compensate contractors for delivering such mental health services.

**INTENT:**

Approval for the above action is requested to enable DMH to reimburse contractors for mental health services provided to SED children/adolescents who are placed in out-of-state treatment facilities. Reimbursement will be executed through the Senate Bill (SB) 90 reimbursement process and payments are claimable by the County through the State's SB 90 mandated claim process. The County's current Out-of-State Child Placement Mental Health Service Agreements require payment without consideration of whether the State has paid or not. Originally \$2.7 million was appropriated for payments to these out-of-state placements for FY 2002-2003. However, it has been projected that payments will exceed \$6,194,000 for FY 2002-2003 and an additional \$3,494,000 appropriation is requested for reimbursement to contractors to allow for continued and uninterrupted services to Los Angeles County beneficiaries.

**JUSTIFICATION:**

DMH has in place three direct Purchase Orders and nineteen mental health service agreements, with contractors who have provided services to children/adolescents who reside throughout Los Angeles County and have required placement in out-of-state education and mental health treatment facilities.

The Board approved \$20.3 million in appropriation for the AB 3632 program. The entire appropriation was funded with State SB 90 revenues that have failed to materialize. DMH originally set aside \$2.7 million of the AB 3632 in its FY 2002-2003 budget to reimburse the out-of-state contractors; the \$2.7 million has been exhausted for actual rendered services. An additional \$3,494,000 has been requested for payment reimbursement and for continued and uninterrupted services rendered to Los Angeles County beneficiaries who reside in out-of-state residential facilities.

**CONTRACTING PROCESS:**

Three direct Purchase Orders and nineteen contractors have existing Out-of-State Child Placement Mental Health Service Agreements with the County. No new contract or amendments will be required for this action.

Attachment

LOS ANGELES COUNTY- DEPARTMENT OF MENTAL HEALTH  
PROVIDER REIMBURSEMENT UNIT  
OUT OF STATE CONTRACT/PURCHASE ORDER EXPENDITURE SUMMARY  
FISCAL YEAR 2002-2003  
JULY 02-JAN 03 (ACTUAL), FEB 03-JUNE 03 (PROJECTED)

ATTACHMENT II

ORIGINAL ENCUMBRANCE \$2,700,000

PURCHASE ORDERS	PROVIDERS NAME	JULY 2002	AUGUST 2002	SEPTEMBER 2002	OCTOBER 2002	NOVEMBER 2002	DECEMBER 2002	JAN. 2003	PROJECTED FEB 2003	PROJECTED MAR 2003	PROJECTED APR 2003	PROJECTED MAY 2003	PROJECTED JUNE 2003	YTD TOTAL (ROUND TO 1,000)
Cinnamon Hills 770 East St. George Blvd. St. George, Utah 84770					3,774	3,774	3,774	3,774	3,774	3,775	3,630	3,630	3,630	33,535
Aspen Health Services 2000 West Dry Valley Lyon, Utah 84747	5,714	5,714	5,714	5,714	5,714	5,714	5,714	5,716		21,200	21,200	21,200	21,200	124,900
Ut-Tex, Inc. dba Vista Adolescent Treatment Center P.O. Box 69 8265 West 2700 South Magna, UT 84044													5,535	5,535
CONTRACTS														
Cathedral Home for Children P.O. Box 520 Laramie, Wyoming 82070-0520		0	0	0	0	0	0	2,170	2,200	2,200	2,200	2,200	2,200	13,170
Colorado Boys Ranch 28071 Highway 109 P.O. Box 681 La Junta, Colorado 81050	21,793	23,802	24,103	29,125	38,063	47,905	49,813	53,936	58,000	62,000	66,000	50,000	50,000	524,540
Daystar Residential, Inc. 3941 County Road 895 Marvell, Texas 77578	14,980	14,720	0	12,400	12,000	24,400	12,400	14,900	14,900	14,900	14,900	14,900	14,900	165,300
Devereux Arizona Treatment Network 6436 E. Sweetwater Avenue Scottsdale, Arizona 85254	4,309	4,036	2,426	1,674	1,728	3,132	1,674	2,788	3,000	3,000	3,000	3,000	3,000	33,770
Devereux Cleo Wallace 7100 E. Bellevue Avenue, Suite 210 Englewood, Colorado 80111	35,433	0	88,773	51,689	53,340	58,420	60,833	63,862	68,000	74,000	77,000	82,000	82,000	714,350
Devereux Glenholme 81 Sabbathday Lane Washington, Connecticut 06793	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Devereux Texas Treatment Network 1150 Devereux Drive League City, Texas 77573	131,425	141,257	159,435	171,650	179,046	187,752	190,538	198,987	208,000	217,000	226,000	235,000	235,000	2,246,090
Emily Griffin Center 8745 W. 14th Avenue, Ste. 230 Lakewood, Colorado 80215	2,263	0	2,263	4,452	0	4,452	2,263	2,267	2,300	2,300	2,300	2,300	2,400	27,280
Excelsior Youth Center 15001 E. Oxford Avenue Aurora, Colorado 80014	20,403	20,544	21,016	21,392	22,005	25,162	23,419	25,168	25,200	25,200	25,200	25,200	25,300	280,030
Forest Heights Lodge P.O. Box 789 Evergreen, Colorado 80437-0789	4,812	4,812	4,657	4,812	4,657	4,181	3,208	4,783	4,800	4,800	4,800	4,800	4,800	55,130
Heritage Schools, Inc. 5600 N. Heritage School Dr. Provo, Utah 84604	47,457	44,510	39,733	39,327	40,902	42,274	46,998	47,898	47,500	47,500	47,500	47,500	47,500	539,100
Intermountain Children's Home & Services 500 S. Lamborn Helena, Montana 59601	4,734	3,919	3,054	3,156	3,054	3,156	3,767	3,981	4,000	4,000	4,000	4,000	4,000	44,820
Island View Academy 2850 W. 2700 South Synovese, Utah 84075	15,989	16,880	16,335	16,830	13,563	13,365	11,633	15,988	16,000	16,000	16,000	16,000	16,000	194,590

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ORIGINAL ENCUMBRANCE \$2,700,000													
PROVIDERS NAME	JULY 2002	AUGUST 2002	SEPTEMBER 2002	OCTOBER 2002	NOVEMBER 2002	DECEMBER 2002	JAN. 2003	PROJECTED FEB.2003	PROJECTED MAR.2003	PROJECTED APR.2003	PROJECTED MAY 2003	PROJECTED JUNE 2003	V.I.O. TOTAL (FROM TO 1000)
Lake Grove School	0	0	0	0	0	0	0	0	0	0	0	0	0
Mental Health Systems, Inc. (Provo Canyon School) P.O. Box 1441	83,785	82,095	77,870	85,540	93,405	103,155	95,680	99,949	100,000	100,000	100,000	100,000	1,121,479
Provo, Utah 84601													
Secret Harbor School	0	0	0	0	0	0	0	0	0	0	0	0	0
The Pathway School 162 Egypt Way Norristown, PA 19403-3090	2,179	1,406	1,336	1,617	1,828	984	2,882	2,900	2,900	2,900	2,900	2,950	26,780
The Learning Clinic Route 189 - P.O. Box 324 Brooklyn, Connecticut 06234	858	811	763	858	668	811	763	819	850	860	860	860	8,780
Yellowstone Boys & Girls Ranch 1732 S. 72nd Street West Billings, Montana 59109-3599	3,782	3,111	3,050	3,782	3,660	3,782	3,782	3,781	3,800	3,800	3,800	3,800	43,950
<b>TOTAL</b>	<b>399,614</b>	<b>367,519</b>	<b>450,527</b>	<b>457,792</b>	<b>477,406</b>	<b>532,428</b>	<b>521,313</b>	<b>548,020</b>	<b>587,425</b>	<b>605,290</b>	<b>621,290</b>	<b>625,075</b>	<b>6,194,000</b>
<b>ENCUMBRANCE BALANCE</b>	<b>2,300,186</b>	<b>1,932,567</b>	<b>1,482,040</b>	<b>1,024,248</b>	<b>546,842</b>	<b>14,413</b>	<b>(506,900)</b>	<b>(1,054,920)</b>	<b>(1,642,345)</b>	<b>(2,247,635)</b>	<b>(2,868,925)</b>	<b>(3,484,000)</b>	